

HOUSE BILL 1

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2003 Regular Session
3r0284

(PRE-FILED)

By: **Delegates Busch and Hurson**

Requested: November 20, 2002

Introduced and read first time: January 8, 2003

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Trauma System Funding Act**

3 FOR the purpose of establishing the Maryland Trauma Physician Services Fund;
4 stating the purpose of the Fund; specifying the manner in which expenditures
5 may be made from the Fund; specifying certain criteria to be taken into account
6 in developing a certain reimbursement methodology; requiring certain
7 physicians to apply to the Fund for reimbursement in a certain manner;
8 requiring the Maryland Health Care Commission and the Health Services Cost
9 Review Commission to file a certain annual report with the General Assembly in
10 a certain manner; specifying a certain purpose of the Maryland Health Care
11 Commission; specifying a certain duty of the Health Services Cost Review
12 Commission; requiring certain insurers to remit a certain fee to the Fund in a
13 certain manner; authorizing certain insurers to recoup a certain fee from certain
14 policyholders; defining a certain term; and generally relating to trauma
15 physicians and trauma services.

16 BY adding to
17 Article - Health - General
18 Section 19-130
19 Annotated Code of Maryland
20 (2000 Replacement Volume and 2002 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article - Health - General
23 Section 19-103(c) and 19-207(b)
24 Annotated Code of Maryland
25 (2000 Replacement Volume and 2002 Supplement)

26 BY adding to
27 Article - Insurance
28 Section 19-517
29 Annotated Code of Maryland

1 (2002 Replacement Volume and 2002 Supplement)

2 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
3 MARYLAND, That the Laws of Maryland read as follows:

4 **Article - Health - General**

5 19-103.

6 (c) The purpose of the Commission is to:

7 (1) Develop health care cost containment strategies to help provide
8 access to appropriate quality health care services for all Marylanders, after
9 consulting with the Health Services Cost Review Commission;

10 (2) Promote the development of a health regulatory system that
11 provides, for all Marylanders, financial and geographic access to quality health care
12 services at a reasonable cost by:

13 (i) Advocating policies and systems to promote the efficient
14 delivery of and improved access to health care services; and

15 (ii) Enhancing the strengths of the current health care service
16 delivery and regulatory system;

17 (3) Facilitate the public disclosure of medical claims data for the
18 development of public policy;

19 (4) Establish and develop a medical care data base on health care
20 services rendered by health care practitioners;

21 (5) Encourage the development of clinical resource management systems
22 to permit the comparison of costs between various treatment settings and the
23 availability of information to consumers, providers, and purchasers of health care
24 services;

25 (6) In accordance with Title 15, Subtitle 12 of the Insurance Article,
26 develop:

27 (i) A uniform set of effective benefits to be included in the
28 Comprehensive Standard Health Benefit Plan; and

29 (ii) A modified health benefit plan for medical savings accounts;

30 (7) Analyze the medical care data base and provide, in aggregate form,
31 an annual report on the variations in costs associated with health care practitioners;

32 (8) Ensure utilization of the medical care data base as a primary means
33 to compile data and information and annually report on trends and variances

1 regarding fees for service, cost of care, regional and national comparisons, and
2 indications of malpractice situations;

3 (9) Establish standards for the operation and licensing of medical care
4 electronic claims clearinghouses in Maryland;

5 (10) Reduce the costs of claims submission and the administration of
6 claims for health care practitioners and payors;

7 (11) Develop a uniform set of effective benefits to be offered as
8 substantial, available, and affordable coverage in the nongroup market in accordance
9 with § 15-606 of the Insurance Article;

10 (12) Determine the cost of mandated health insurance services in the
11 State in accordance with Title 15, Subtitle 15 of the Insurance Article; [and]

12 (13) Promote the availability of information to consumers on charges by
13 practitioners and reimbursements from payors; AND

14 (14) OVERSEE AND ADMINISTER THE MARYLAND TRAUMA PHYSICIAN
15 SERVICES FUND IN CONJUNCTION WITH THE HEALTH SERVICES COST REVIEW
16 COMMISSION.

17 19-130.

18 (A) IN THIS SECTION, "FUND" MEANS THE MARYLAND TRAUMA PHYSICIAN
19 SERVICES FUND.

20 (B) (1) THERE IS A MARYLAND TRAUMA PHYSICIAN SERVICES FUND.

21 (2) THE PURPOSE OF THE FUND IS TO SUBSIDIZE THE DOCUMENTED
22 COSTS OF PHYSICIAN UNCOMPENSATED CARE PROVIDED TO TRAUMA PATIENTS ON
23 THE TRAUMA REGISTRY IN A TRAUMA CENTER DESIGNATED BY THE MARYLAND
24 INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS AS:

25 (I) THE STATE PRIMARY ADULT RESOURCE CENTER;

26 (II) A LEVEL I TRAUMA CENTER;

27 (III) A LEVEL II TRAUMA CENTER;

28 (IV) A LEVEL III TRAUMA CENTER; OR

29 (V) A PEDIATRIC TRAUMA CENTER.

30 (3) THE FUND IS A CONTINUING, NONLAPSING FUND WHICH IS NOT
31 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

32 (4) INTEREST AND EARNINGS ON THE FUND SHALL BE SEPARATELY
33 ACCOUNTED FOR AND CREDITED TO THE FUND, AND ARE NOT SUBJECT TO § 6-226(A)
34 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

1 (C) THE FUND CONSISTS OF MOTOR VEHICLE INSURANCE POLICY
2 SURCHARGES COLLECTED IN ACCORDANCE WITH § 19-517 OF THE INSURANCE
3 ARTICLE.

4 (D) (1) EXPENDITURES FROM THE FUND SHALL BE MADE IN ACCORDANCE
5 WITH A METHODOLOGY ESTABLISHED JOINTLY BY THE MARYLAND HEALTH CARE
6 COMMISSION AND THE HEALTH SERVICES COST REVIEW COMMISSION TO
7 CALCULATE UNCOMPENSATED CARE COSTS INCURRED BY PHYSICIANS WHO ARE
8 ELIGIBLE TO RECEIVE REIMBURSEMENT UNDER SUBSECTION (B) OF THIS SECTION.

9 (2) THE METHODOLOGY DEVELOPED UNDER PARAGRAPH (1) OF THIS
10 SUBSECTION SHALL TAKE INTO ACCOUNT:

11 (I) THE AMOUNT OF PHYSICIAN UNCOMPENSATED CARE
12 PROVIDED;

13 (II) THE NUMBER OF PATIENTS SERVED;

14 (III) THE NUMBER OF MARYLAND RESIDENTS SERVED; AND

15 (IV) THE EXTENT TO WHICH PHYSICIAN UNCOMPENSATED CARE
16 COSTS ARE OTHERWISE SUBSIDIZED BY HOSPITALS, THE FEDERAL GOVERNMENT,
17 AND OTHER SOURCES.

18 (3) IN ORDER TO RECEIVE REIMBURSEMENT, A PHYSICIAN SHALL APPLY
19 TO THE FUND ON A FORM AND IN A MANNER APPROVED BY THE MARYLAND HEALTH
20 CARE COMMISSION AND THE HEALTH SERVICES COST REVIEW COMMISSION.

21 (E) THE MARYLAND HEALTH CARE COMMISSION AND THE HEALTH SERVICES
22 COST REVIEW COMMISSION SHALL REPORT ANNUALLY TO THE GENERAL ASSEMBLY
23 IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE:

24 (1) THE AMOUNT OF MONEY IN THE FUND;

25 (2) THE AMOUNT OF MONEY APPLIED FOR BY ELIGIBLE PHYSICIANS;

26 (3) THE AMOUNT OF MONEY DISTRIBUTED IN THE FORM OF PHYSICIAN
27 REIMBURSEMENTS; AND

28 (4) ANY RECOMMENDATIONS FOR ALTERING THE MANNER IN WHICH
29 TRAUMA PHYSICIAN UNCOMPENSATED CARE COSTS ARE REIMBURSED.

30 19-207.

31 (b) In addition to the duties set forth elsewhere in this subtitle, the
32 Commission shall:

33 (1) Adopt rules and regulations that relate to its meetings, minutes, and
34 transactions;

35 (2) Keep minutes of each meeting;

1 (3) Prepare annually a budget proposal that includes the estimated
2 income of the Commission and proposed expenses for its administration and
3 operation;

4 (4) Within a reasonable time after the end of each facility's fiscal year or
5 more often as the Commission determines, prepare from the information filed with
6 the Commission any summary, compilation, or other supplementary report that will
7 advance the purposes of this subtitle;

8 (5) Periodically participate in or do analyses and studies that relate to:

9 (i) Health care costs;

10 (ii) The financial status of any facility; or

11 (iii) Any other appropriate matter; [and]

12 (6) On or before October 1 of each year, submit to the Governor, to the
13 Secretary, and, subject to § 2-1246 of the State Government Article, to the General
14 Assembly an annual report on the operations and activities of the Commission during
15 the preceding fiscal year, including:

16 (i) A copy of each summary, compilation, and supplementary report
17 required by this subtitle; and

18 (ii) Any other fact, suggestion, or policy recommendation that the
19 Commission considers necessary; AND

20 (7) OVERSEE AND ADMINISTER THE MARYLAND TRAUMA PHYSICIAN
21 SERVICES FUND IN CONJUNCTION WITH THE MARYLAND HEALTH CARE
22 COMMISSION.

23 **Article - Insurance**

24 19-517.

25 (A) (1) EACH INSURER THAT OFFERS, SELLS, OR DELIVERS MOTOR VEHICLE
26 LIABILITY INSURANCE POLICIES IN THE STATE SHALL PAY ANNUALLY A FEE EQUAL
27 TO \$2 MULTIPLIED BY THE TOTAL NUMBER OF MOTOR VEHICLES REGISTERED IN
28 THE STATE INSURED BY THE CARRIER DURING THE YEAR.

29 (2) THE MONEY SHALL BE PAID INTO THE MARYLAND TRAUMA
30 PHYSICIAN SERVICES FUND ESTABLISHED UNDER § 19-130 OF THE HEALTH -
31 GENERAL ARTICLE IN A MANNER AND AT INTERVALS DETERMINED BY THE
32 MARYLAND HEALTH CARE COMMISSION AND THE HEALTH SERVICES COST REVIEW
33 COMMISSION.

34 (B) THE FEE REQUIRED OF AN INSURER UNDER SUBSECTION (A) OF THIS
35 SECTION MAY BE RECOUPED FROM THE POLICYHOLDERS OF THE INSURER.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2003.